



Monday, February 1, 2021

Chairman Craig Headland
House Finance and Taxation Committee
ND House of Representatives

Chairman Headland and Members of the Committee:

Thank you for your service to North Dakota and for the work you do every day to grow jobs and opportunity for your constituents.

The Wind Industry of North Dakota (WIND) opposes HB 1458 and strongly recommends that you weigh ALL the costs and benefits of HB 1458. **WIND believes HB 1458 will undermine North Dakota's successful all-of-the-above energy strategy, resulting in a loss of jobs and economic opportunity. And despite good intentions, it will not shield local energy suppliers from the competition for affordable & reliable sources of energy throughout the region, resulting in a lose-lose scenario for North Dakota.**

HB 1458 would significantly increase business costs in North Dakota over the next five years, having an immediate negative impact. Raising the cost of doing business in North Dakota through higher taxes will shift demand to neighboring states like Iowa, South Dakota, Minnesota and other Midwestern states because North Dakota and its landowners who hope to harvest wind as a cash crop will be at a competitive disadvantage. The energy industry exists within a competitive regional market, where no state that isolates itself with high taxes can expect to be successful. The resultant shift to places with friendlier business climates, will leave existing North Dakota energy suppliers still competing against lower cost alternatives throughout the region, all the while paying higher prices within North Dakota. A clear lose-lose scenario for North Dakota taxpayers and utility rate payers.

North Dakota's all-of-the-above strategy has worked. A recent North Dakota State University study provides strong evidence for continuing this successful policy. North Dakota Landowners received \$19.2 million in wind project lease payments in 2019, approximately \$27 million in local property taxes were paid in 2019 – directly benefiting counties with wind projects and over \$37 million in sales tax was paid by the wind industry through 2019. To date, total business activity impact of wind energy investment in North Dakota has exceeded \$6.9 billion. Given the projections for strong demand for wind energy for the foreseeable future, this type of growth and investment is likely to continue for years to come. HB 1458 would undoubtedly drive this investment out of North Dakota, sending a mixed message to investors who want to support the current all-of-the-above energy strategy.

Please consider ALL the costs and benefits of HB 1458, which will notably abandon North Dakota's successful all-of-the-above energy strategy. It will result in lost economic opportunity and diminish North Dakota's role as a regional energy leader, making it more difficult to shape future energy policy within and beyond North Dakota, should it become law.

I remain ready to answer any questions you might have.

Respectfully submitted,

A handwritten signature in black ink that reads "Jeff Danielson". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Jeff Danielson
Central States Director
American Clean Energy Association



DEAR LEGISLATORS,

Wind Industry of North Dakota, WIND, is a coalition of wind industry members and supporters who believe North Dakota should harness its abundance of wind for the continued benefit of its communities and residents. As we observe the impact of this valuable energy resource and its place in North Dakota's diverse energy economy, we want to share with you some important information about the statewide industry.

WIND members have developed an overview of the current state of the wind industry across North Dakota. We hope you will find the enclosed fact sheets useful. They address a variety of areas related to the industry including technology, economic benefits and a detailed wind project map that visually demonstrates the reach of the industry across the entire state.

As you review the broad economic reach of the wind industry, please consider our WIND members as a source for additional information on North Dakota's wind industry. Should you have any questions or ideas, we welcome your outreach.

In this place where wind is an abundant, statewide asset, it is fitting that we celebrate its positive impact to communities, farmers and ranchers, and our state's economy. As you embark on a new session year, we wish you the best of luck and look forward to working with you.

Thank you for taking the time to learn about the impact of wind on our great state!



Wind Industry of North Dakota

**Please feel free to contact
any or all of us for continued
discussion.**

American Wind Energy Association

Jeff Danielson
jdanielson@awea.org

Apex Clean Energy

Chris Kunkle
chris.kunkle@apexcleanenergy.com

Capital Power

Jon Sohn
jsohn@capitalpower.com

EDF Renewables

Adam Sokolski
adam.sokolski@edf-re.com

Represented by GA Group, PC

landrist@gagroup.law
alunde@gagroup.law

Enel North America

Gina Mace
gina.mace@enel.com

Represented by Olson Effertz

kayla@olsoneffertz.com

Represented by The Harms Group

robert@harmsgroup.net

Invenergy

Dan Litchfield
dlitchfield@invenergy.com

NextEra Energy Resources

Julie Voeck
julie.voeck@nexteraenergy.com

Represented by Olson Effertz

john@olsoneffertz.com

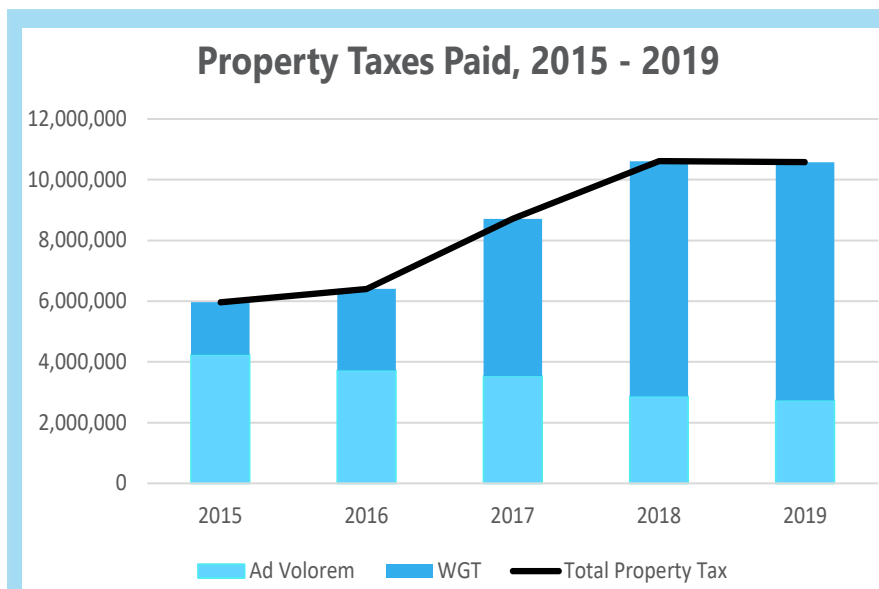
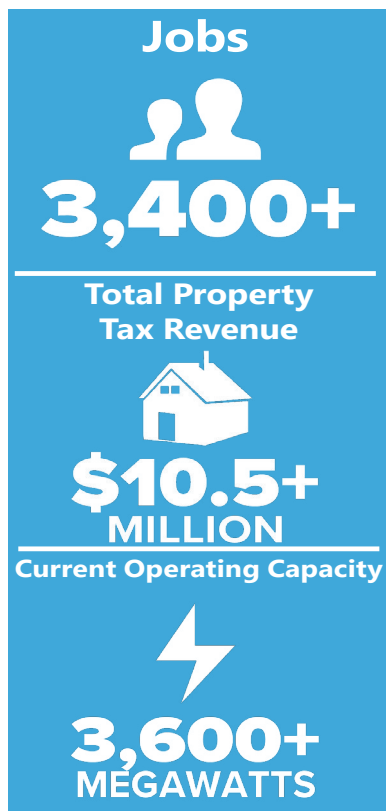
Represented by Odney

dlarson@odney.com
sgoettle@odney.com
landerson@odney.com

Orsted

Francesca Martella Kehl
FRKEH@orsted.com

Wind Delivers for North Dakota



Direct property taxes paid by wind farms have nearly doubled, increasing from \$5.9 million in 2015 to \$10.5 million in 2019.

Total taxes paid from 2015-2019 totaled \$42.2 million.

Sources: NDSU, Agribusiness and Applied Science, "Wind Energy Industry's Contribution to the North Dakota Economy in 2019"; American Wind Energy Association; North Dakota Office of State Tax Commissioner (2020).

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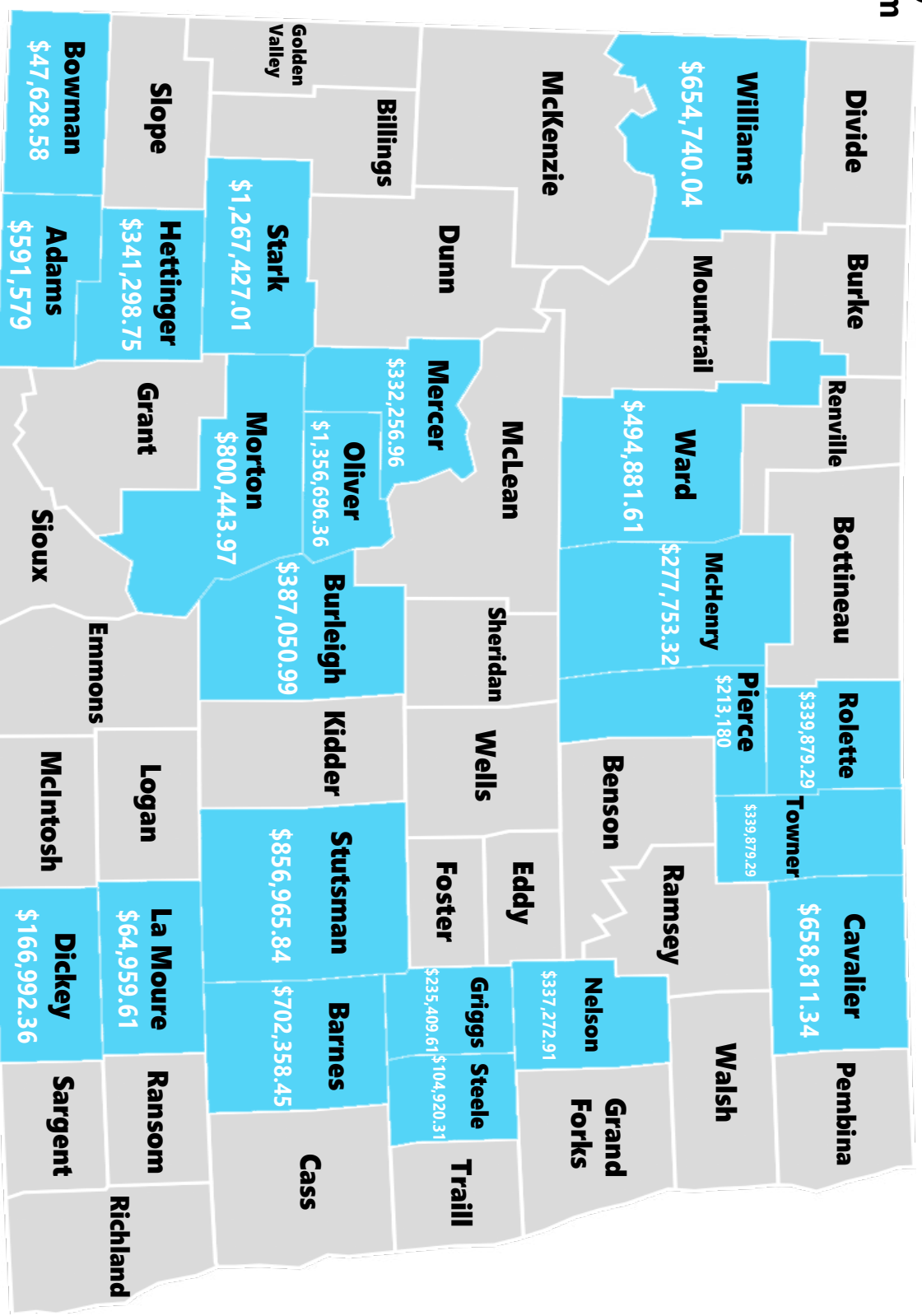
Members: American Wind Energy Association (AWEA), Apex Clean Energy, Capital Power, EDF Renewables, Enel North America, Invenenergy, NextEra Energy Resources, and Orsted.

Counties that receive property tax revenue from wind

(most to least):

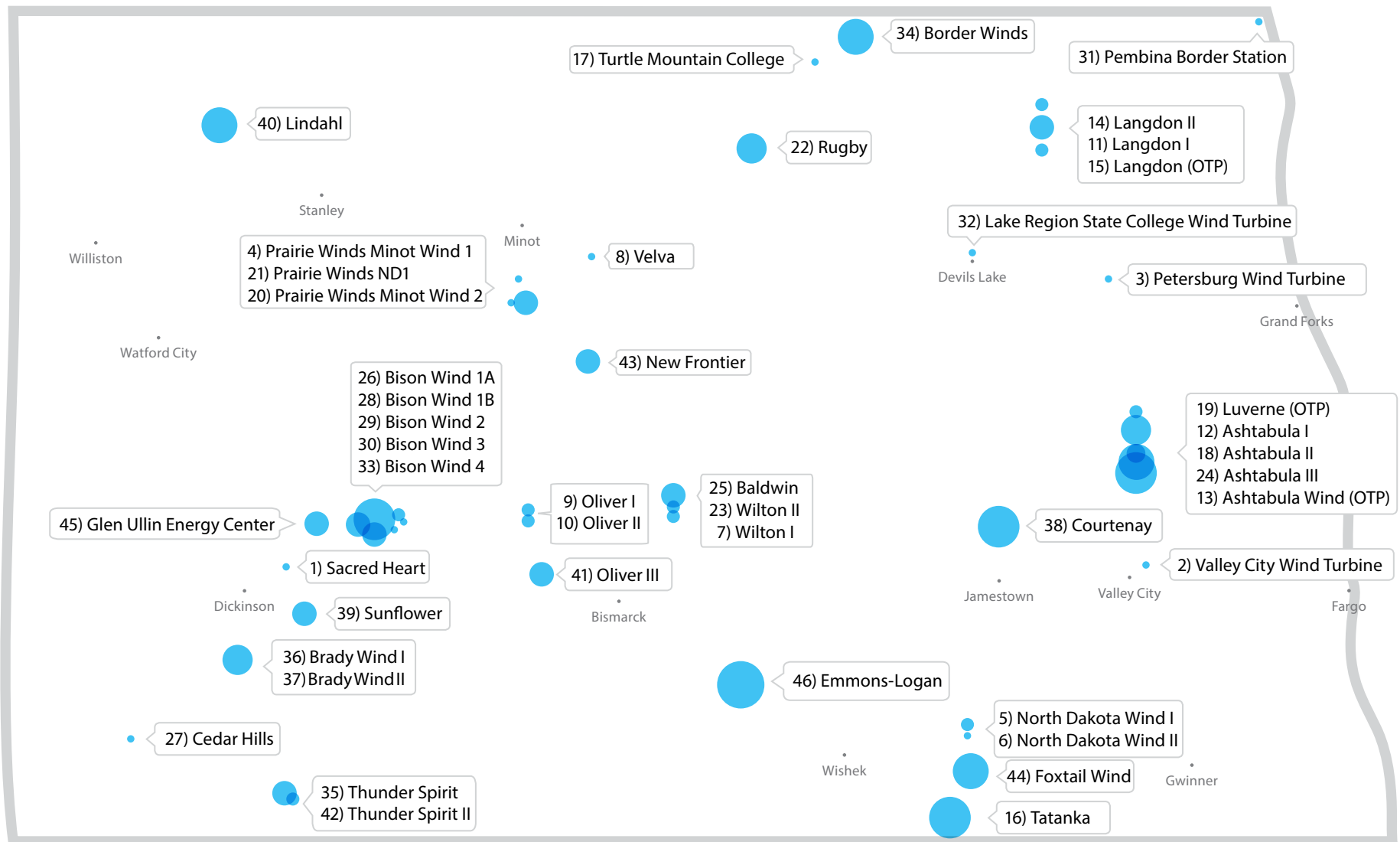
1. Oliver
2. Stark
3. Stutsman
4. Morton
5. Barnes
6. Cavalier
7. Williams
8. Adams
9. Ward
10. Burleigh
11. Hettinger
12. Towner
13. Rolette
14. Nelson
15. Mercer
16. McHenry
17. Griggs
18. Pierce
19. Dickey
20. Steele
21. La Moure
22. Bowman

22 of North Dakota's 53 counties receive property tax revenue from wind!



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Listed in order of year brought online:

- 1) Sacred Heart Monastery
Total rated capacity: 0.25 MW
Year online: 1997
Owner: Richardton Abbey
- 2) Valley City Wind Turbine
Total rated capacity: 0.9 MW
Year online: 2001
Owner: Minnkota Power Cooperative
- 3) Petersburg Wind Turbine
Total rated capacity: 0.9 MW
Year online: 2002
Owner: Minnkota Power Cooperative
- 4) Prairie Winds Minot Wind 1
Total rated capacity: 2.6 MW
Year online: 2002
Owner: Basin Electric Power Cooperative
- 5) North Dakota Wind I
Total rated capacity: 40.5 MW
Year online: 2003
Owner: NextEra Energy Resources
PPA: Basin Electric Power Cooperative
- 6) North Dakota Wind II
Total rated capacity: 21 MW
Year online: 2003
Owner: NextEra Energy Resources
PPA: Otter Tail Power Co.
- 7) Wilton I
Total rated capacity: 49.5 MW
Year online: 2005-2006
Owner: NextEra Energy Resources
PPA: Basin Electric Power Cooperative
- 8) Velva
Total rated capacity: 11.8 MW
Year online: 2006
Owner: Acciona Energy USA Global LLC
PPA: Northern States Power Company - Minnesota
- 9) Oliver I
Total rated capacity: 50.6 MW
Year online: 2006
Owner: NextEra Energy Resources
PPA: Minnesota Power
- 10) Oliver II
Total rated capacity: 48 MW
Year online: 2007
Owner: NextEra Energy Resources
PPA: Minnesota Power

- 11) Langdon I
Total rated capacity: 126.4 MW
Year online: 2007
Owner: NextEra Energy Resources
PPA: Minnkota Power Cooperative; Otter Tail Power Co.
- 12) Ashtabula I
Total rated capacity: 160.4 MW
Year online: 2008
Owner: NextEra Energy Resources
PPA: Minnkota Power Cooperative
- 13) Ashtabula Wind (OTP)
Total rated capacity: 48 MW
Year online: 2008
Owner: Otter Tail Power Cooperative
- 14) Langdon II
Total rated capacity: 43.7 MW
Year online: 2008
Owner: NextEra Energy Resources LLC
PPA: Minnkota Power Cooperative
- 15) Langdon (OTP)
Total rated capacity: 40.5 MW
Year online: 2008
Owner: Otter Tail Power Company
- 16) Tatanka
Total rated capacity: 180 MW
Year online: 2008
Owner: Acciona Energy; GE Energy Financial Services; Atlanta Renewables SARL
PPA: Macquarie Capital
- 17) Turtle Mountain College
Total rated capacity: 0.66 MW
Year online: 2008
- 18) Ashtabula II
Total rated capacity: 120 MW
Year online: 2009
Owner: NextEra Energy Partners
PPA: Minnkota Power Cooperative; Great River Energy
- 19) Luverne (OTP)
Total rated capacity: 49.5 MW
Year online: 2009
Owner: Otter Tail Power Co.
- 20) Prairie Winds Minot Wind 2
Total rated capacity: 4.5 MW
Year online: 2009
Owner: Basin Electric Power Cooperative

- 21) Prairie Winds ND1
Total rated capacity: 115.5 MW
Year online: 2009
Owner: Basin Electric Power Cooperative
- 22) Rugby
Total rated capacity: 149.1 MW
Year online: 2009
Owner: Avangrid Renewables
PPA: Avangrid Renewables; Central Minnesota Municipal Power Agency; Missouri River Energy Services; Upper Midwest Municipal Power Agency
- 23) Wilton II
Total rated capacity: 49.5 MW
Year online: 2009
Owner: NextEra Energy Resources
PPA: Basin Electric Power Cooperative
- 24) Ashtabula III
Total rated capacity: 62.4 MW
Year online: 2010
Owner: NextEra Energy Resources
PPA: Otter Tail Power Co.
- 25) Baldwin
Total rated capacity: 102.4 MW
Year online: 2010
Owner: NextEra Energy Resources
PPA: Basin Electric Power Cooperative
- 26) Bison Wind 1A
Total rated capacity: 36.8 MW
Year online: 2010
Owner: Minnesota Power
- 27) Cedar Hills
Total rated capacity: 19.5 MW
Year online: 2010
Owner: Montana-Dakota Utilities
- 28) Bison Wind 1B
Total rated capacity: 45 MW
Year online: 2011-2012
Owner: Minnesota Power
- 29) Bison Wind 2
Total rated capacity: 105 MW
Year online: 2012
Owner: Minnesota Power
- 30) Bison Wind 3
Total rated capacity: 105 MW
Year online: 2012
Owner: Minnesota Power

- 31) Pembina Border Station
Total rated capacity: 1 MW
Year online: 2012
Owner: U.S. Customs and Border Protection
- 32) Lake Region State College Wind Turbine
Total rated capacity: 1.6 MW
Year online: 2013
- 33) Bison Wind 4
Total rated capacity: 204.8 MW
Year online: 2014
Owner: Minnesota Power
- 34) Border Winds
Total rated capacity: 150 MW
Year online: 2015
Owner: Xcel Energy
PPA: Northern States Power Co. - MN
- 35) Thunder Spirit
Total rated capacity: 107.5 MW
Year online: 2015
Owner: Montana-Dakota Utilities
- 36) Brady Wind I
Total rated capacity: 149.7 MW
Year online: 2016
Owner: NextEra Energy Partners
PPA: Basin Electric Power Cooperative
- 37) Brady Wind II
Total rated capacity: 149.03 MW
Year online: 2016
Owner: NextEra Energy Partners
PPA: Basin Electric Power Cooperative
- 38) Courtenay
Total rated capacity: 200 MW
Year online: 2016
Owner: Xcel Energy
PPA: Northern States Power Co. - MN
- 39) Sunflower
Total rated capacity: 104 MW
Year online: 2016
Owner: Novatus Energy
PPA: Basin Electric Power Cooperative
- 40) Lindahl
Total rated capacity: 150 MW
Year online: 2017
Owner: Enel Green Power North America Inc.
PPA: Basin Electric Cooperative

- 41) Oliver III
Total rated capacity: 99.25 MW
Year online: 2017
Owner: NextEra Energy Resources
PPA: Minnkota Power Cooperative
- 42) Thunder Spirit II
Total rated capacity: 48 MW
Year online: 2018
Owner: Montana-Dakota Utilities
- 43) New Frontier
Total rated capacity: 100.05 MW
Year online: 2018
Owner: Capital Power Corporation
PPA: MISO
- 44) Foxtail Wind
Total rated capacity: 150 MW
Year online: 2019
Owner: Xcel Energy
PPA: Northern States Power Co. - MN
- 45) Glen Ullin Energy Center (Clean Energy 1)
Total rated capacity: 106.7 MW
Year online: 2019
Owner: Allete Clean Energy
PPA: Northern States Power Co. - MN
- 46) Emmons-Logan
Total rated capacity: 216.4 MW
Year online: 2019
Owner: NextEra Energy Resources
PPA: Great River Energy



WIND is a coalition of industry members and supporters who believe North Dakota should harness its abundance of wind for the continued benefit of its communities and residents. Find out more: windindustrynd.com

Members: American Wind Energy Association (AWEA), Apex Clean Energy, Capital Power, EDF Renewables, Enel North America, Invenergy, NextEra Energy Resources, and Orsted.

North Dakota currently ranks 4th in share of electricity generated from wind. 32 commercial wind farms now reside in 26 counties in North Dakota, generating over 3,600 MW of power in 2020. The wind industry currently accounts for over 3,000 permanent direct, indirect, and manufacturing jobs in North Dakota with a total business activity of over \$6.9 billion through 2019. In 2019, the wind industry paid state and local taxes of \$27 million and \$19.2 million in annual lease payments to North Dakota landowners. The result of all this activity is that wind now comprises approximately 27% of the energy mix used by utilities in North Dakota.



AMONG TOP 10 STATES FOR WIND ENERGY GENERATION

- Nearly continuous wind, average speeds of 10-13 mph are ideal for wind energy production
- Wind energy capacity increased from 100 MW to over 3,600 MW in the past decade**
- Second-largest electricity generation source in 2019
- Electricity providers have invested billions in new transmission lines and substations to meet increasing demand, ensure reliable delivery of North Dakota-generated power*

Source: U.S. Energy Information Administration

*Source: 2017 Great Plains Energy Corridor Spotlight on North Dakota Energy

**Source: American Wind Energy Association



SIXTH LARGEST ENERGY- PRODUCING STATE

- Oil, natural gas, coal, wind and biofuels all contribute to energy portfolio
- Like oil and other natural resources, wind is a cash crop that North Dakota can export.*
- North Dakota produces about six times more energy than it consumes
- Wind comprises approximately 27% of the energy mix used by utilities in North Dakota*
- Electricity use nationwide is expected to grow in all demand sectors through 2050
- Wind and solar projected to have highest percentage growth of any U.S. power source through 2050

Source: U.S. Energy Information Administration

*Source: American Wind Energy Association



**\$6.9
BILLION**

WIND IS AN ABUNDANT AND VALUABLE ASSET FOR NORTH DAKOTA

- Due to industrywide technology improvements, wind projects are viable across the state
- Landowners received \$19.2 million in wind project lease payments in 2019**
- Approximately \$27 million paid in taxes in 2019 – directly benefiting counties with wind projects**
- Over \$37 million in sales tax was paid for by the wind industry through 2019*
- Total business activity impact of wind in North Dakota exceeded \$6.9 billion in 2019

Source: American Wind Energy Association

*Source: North Dakota State Tax Commissioner

**Source: NDSU, Agribusiness and Applied Science, "Wind Energy Industry's Contribution to the North Dakota Economy in 2019".

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Economic Benefits for North Dakota



**\$6.9
BILLION**

WIND IS A VALUABLE ASSET TO NORTH DAKOTA'S ECONOMY

As North Dakota seeks to further diversify its energy economy, it is important to remember wind's role as a continuing source of local revenues, jobs and energy to supply growing demand from the nation.

- The total capital investment from wind in North Dakota reached \$6.9 billion in 2019.

Source: American Wind Energy Association



**\$27
MILLION**

WIND BENEFITS LOCAL COMMUNITIES, FARMERS AND RANCHERS

- Wind projects are viable across our state, from Tioga to Valley City
- The wind industry paid \$27 million in state and local taxes in 2019, providing funding for schools, infrastructure and other local projects
- Hundreds of North Dakota landowners receive lease payments from wind projects annually

Source: NDSU, Agribusiness and Applied Science, "Wind Energy Industry's Contribution to the North Dakota Economy in 2019".



**\$19.2
MILLION**

POSITIVE IMPACT ON NORTH DAKOTANS TO CONTINUE AND POISED FOR GROWTH

- \$19.2 million in land lease payments in 2019 came from wind.

Source: NDSU, Agribusiness and Applied Science, "Wind Energy Industry's Contribution to the North Dakota Economy in 2019".



**\$37
MILLION**

WIND CREATES FINANCIAL SECURITY

- Over \$37 million in sales tax has been paid by the wind industry.

Source: North Dakota State Tax Commissioner



3,400+

WIND CREATES CONSTRUCTION, MANUFACTURING, OPERATING JOBS

- Over 3,400 full-time direct, family-supporting jobs in North Dakota are attributed to the wind industry.
- Wind projects generated \$2.8 billion in in-state construction expenditures over the last 15 years.

Source: NDSU, Agribusiness and Applied Science, "Wind Energy Industry's Contribution to the North Dakota Economy in 2019".

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